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Ageing, poverty and neoliberalism in urban South India

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In Brief

Using the example of the metropolitan city of Chennai, India, the research examined the forces and processes shaping poverty and ageing in developing country cities under neoliberal policy regimes. Comparing the circumstances of Chennai's poor in 2007–2010 with that in 1990–1991, the research suggests that the neoliberal policy context exacerbated the difficulties of the poor and of the older poor in particular. It found that older people play a significant productive role in the urban economy but that this role is unrecognised by the state. Instead of facilitating work in old age, or providing pensions for anything more than a minority of the older urban poor, state policies reflect the assumptions that older people are dependent and that families provide for their aged.

This approach does not take into account the impact of poverty, neoliberal policies and economic planning in constraining younger people's capacity to provide or care for the aged; instead of 'retiring' from work, the urban poor are forced to work deep into old age, both to support themselves and to help out younger relatives. They may do this through paid work or through unpaid work in a family business or by taking on the domestic and childcare work of younger women, thereby releasing younger women into the labour market. The state's failure to recognise older people's contribution to the economy, their needs as workers and their rights as citizens constrains their productivity and wellbeing and has a knock-on effect on their families and the economy.

Background

Chennai is the fourth most populous metropolitan area in India and, by global standards, its urban core has one of the highest population densities. Since 1990 Chennai has transformed from a city of national importance to one increasingly engaged in the global market with a diversified industrial and new economy base. The benefits of the city's economic growth have not been passed on to the urban poor. Instead, virtually all of Chennai's urban poor work in the lower reaches of the informal economy, characterised by low wages, insecure employment, often unsafe working conditions and no pensions. Twenty-five percent of the city's population live in slums where the prevalence of underweight children and anaemia are extremely high, especially among the poorest and low caste.

Compared to the pre-neoliberal policy context of 1990–1991, recent hikes in the property market (including the slum housing market) have coincided with rising credentialism in the labour market, continuing inadequate state provision for health and education, increasing informalisation of work, a squeeze on street vending, mass slum evictions and greater vulnerability to global crises. Since 2008, the financial crisis in the West, global food price hikes and more extreme weather conditions (making manual work difficult to sustain) have resulted in severely reduced nutritional intake in a population already noted for high levels of anaemia and under-weight children.

The Study

To assess the impact of neoliberal policies on the older urban poor, the study surveyed 800 households (3,500 people, including 417 people aged 60 or more) living in five slum areas. From this sample follow up interviews were conducted with 175 households (including 139 people aged 60 or more) as well as economic surveys of 105 households, 80 wage workers and 40 micro-business owners covering the three months of November 2008 and January and May 2009. The five slum areas are located in central and southern Chennai.

Four have been occupied for forty to fifty years, one has been occupied for twenty years. Forty percent of the 800 households surveyed were Dalits, from the lowest rung of the caste hierarchy and formerly known as 'untouchables', and two of the slum areas are threatened with eviction to undeveloped slum-relocation sites 30 kms outside the city. The contemporary data were compared with those collected by two of the research team between 1990–91 in two of the five slum areas studied in 2007–10. In addition, one market of petty street vendors was observed between 2007 and 2010.

Changing population structure, age discrimination and old age poverty

Chennai's population structure is ageing rapidly with the result that old age poverty is now a significant and rising, though largely overlooked, problem. In the five slums studied 12% of people are aged 60 and over and 5% are aged over 70 years, demonstrating comparatively long life expectancies for those surviving into old age. Alongside this increasing percentage of older people is a significant youth bulge in the 20s and 30s age bands. The population structure along with changing recruitment practices are contributing to the early onset of age discrimination, from age around 45, and to a segregated labour market in which middle-aged and older people are concentrated in the least well-paid, least secure work. The use of work gangs from poorer parts of the country for the booming construction industry and the displacement of skilled trades by new technologies, as well as work related injuries and poor health contributes to the increasing pauperisation of slum dwellers, despite Chennai's expanding economy. Age discrimination, low-incomes and inadequate pensions (in terms of both their value and coverage of impoverished older people) force slum dwellers to continue working into late old age.

¹Government of India has classified congested, poor quality settlements without 'proper' sanitation and water facilities as "slums".

²Life expectancy at age 60 in India is 17 years for men and 19 years for women.

Conceptualisations of old age and intergenerational relations

Conceptualisations of old age and inter-generational relations in popular, academic, political and administrative discourses are generally highly stylised. Such conceptualisations misconstrue the poverty and dependence of the older urban poor, obscuring the causes and exacerbating factors, and making adequate policy responses difficult to identify.

Discourses that blame old age poverty on the 'declining' joint families, in turn attributed to Westernisation, modernisation or filial 'negligence' fail to recognise that inter-generational relations, and the forces that shape them are not uniform across the economy. It is the imperative of poverty in the informal economy, where a family living is frequently unachievable, that breaks families into smaller units in order to lower the dependant to worker ratio. Severe poverty forces early nuclearisation of families and inhibits the re-incorporation of sub-nuclear units into a common household economy. Precarious family incomes and high morbidity and mortality rates have resulted in a greater indeterminacy as to whether, and when, an older person will be supported by a younger household. This indeterminacy results in a comparatively high level of older couple households as well as older widows living alone or in their daughter's household, than is considered the norm in better off families.

In the pre-neoliberal period young families were either given a portion of their parents' slum property to set up independent households or, if

the property was too small to subdivide, they rented a room elsewhere, often in the same slum. Recent economic policies that have led to a booming property and rental market, even in the city's slums, have compounded economic pressures on younger family members, forcing them back into the homes of their parents, or preventing them from leaving, while retaining separate budgeting. Contraction and densification of low-income living space has increased to the point that three related families sharing a 16 sq meter home built for one family is now common. Economic pressures on younger families have increased the pressure on older parents to provide greater and more regular assistance (housing, childcare, cash, loans) to their married children and to reduce their own consumption and expectations of support than was the case in the pre-neoliberal period.

In addition to the severe economic pressures on the urban poor there is a wider discursive shift towards the expanded needs and rights of younger people, particularly children, in terms of education, work, marriage and consumption patterns which have resulted in significant declines in child labour and increases in primary and secondary education. Hence the current circumstances of the older urban poor are the outcome of two processes: first, changing discourses in politics and the media along with policy measures that have contributed to a shift in family orientation from meeting family needs to meeting children's needs and second, the increasing difficulty of families to cover their basic needs. Squeezed between these two, the older urban poor have no option but to be economically active.





Older people's work and contribution to family incomes and the economy

Older people's economic activity is often under-recognised, even by older people themselves. Twenty-eight percent of people surveyed over age 60 consider themselves to be working, as do 20% of people aged 70–79. However, research as well as observations of a street market between 2007–10 uncovered a significant number of older people playing extensive, unpaid 'helper' roles in a son's or daughter's petty business. A further tranche of older people, largely older women, undertake unpaid childcare, housework, fetching water and other supporting roles for family members in order to release younger family women into the workforce. The importance of older people's unpaid labour is evident from the collapse of businesses and the withdrawal of younger women from the workforce when older people's unpaid labour is no longer available due to accident, illness or death.

Older slum dwellers are engaged in more than forty occupations and have four significant roles in the economy. As petty vendors they are the end-point in the distribution of agricultural produce across the city. As paid and unpaid cleaners, childminders, cooks and snack-makers, they release a chain of women into the workforce, including expanding the supply of female labour for the factories and IT companies catering to the global market. They keep the cost of inputs and overheads down throughout the economy by processing materials at low cost for critical sectors (eg breaking bricks to make rubble for the construction industry), by providing cheap labour to companies (eg security services at bank ATM machines, shops and transport depots) and by providing cheap services to the workforce (eg rickshaw pulling, car washing, night watchman services and small building repairs). The important contribution of older people to the economy is entirely disregarded by economic policy-makers and planners.

¹ In slums, the extremely inadequate infrastructural provision and non-permanent housing materials, as well as a poverty-enforced regime that replaces market-sourced goods and services with unpaid female domestic labour, significantly extends the amount of time that families, that is women, need to put in to unpaid domestic work.

The study reveals the clear gendered structuring of the labour market and working conditions that stretches across the life course, leaving all the older urban poor vulnerable, although in rather different ways. In the context of high competition for work, age discrimination, high rates of chronic ill-health and disability due to a life time of poverty, unsafe working conditions and the use of alcohol to dull the pain of heavy manual labour and injury, male slum dwellers can expect increasingly irregular access to work and falling incomes from their late 40s onwards. Despite significant domestic responsibilities, as men's incomes fall women are forced into paid work, often supporting their husbands and families into late old age. These older women rely on street vending or paid domestic work to tailor their working hours and intensity of work to their needs, capacity, resources and domestic responsibilities. The importance of work suited to the capacities of older people is overlooked in urban planning in India, where the policy thrust is to restrict street vending.

State welfare policies and old age poverty

Social welfare policies and the National Old Age Policy demonstrate insufficient understanding of either the dynamics of inter-generational relations in the context of severe policy or the specificities of old age poverty as well as the lower priority placed on old age welfare. The main plank for old age welfare, the public resource-capped, poverty-targeted, non-contributory pension is not available to a large proportion of the qualifying older urban poor. The mismatch between the numbers eligible and the numbers of pensions available encourages corruption and the rise of 'pension brokers', limiting the access of the poorest and those without influential contacts. Despite the pension's low and diminishing value of Rs400 per month (£5.57/\$8.57 @ 7th September 2010 rates), last uplifted in September 2006, its regularity provides a degree of economic security and manoeuvrability to older people, making them credit-worthy, enabling them to buy medicines and making them appear and feel less of a potential burden on younger family members. Even so, a Rs400 per month pension can only supplement incomes when 97% of rents in slums, in early 2008, were over Rs300 per month. Whether receiving the pension or not, the vast majority of the older urban poor are forced to earn an income or to facilitate the work of their families

either by working unpaid in a relative's micro-business or by taking on younger women's unpaid domestic responsibilities, thereby releasing them into the work force.

In the context of extreme poverty, welfare measures not specifically directed at the older urban poor impacts on older people's welfare, demonstrating the need to move away from the compartmentalisation of "old age issues" to an *integrated generational analysis of all economic and social policy fields*. For example, the main poverty alleviation policy in urban India, the subsidised food allowance, known as the Public Distribution System (PDS), is not adjusted according to family size and 'ration cards' are difficult to secure outside the five year re-issue period. This discourages the maintenance of larger multi-generational households and can leave older people without access to affordable groceries. Similarly the anti-child labour, education and child-health policies have reduced family incomes, by taking younger family members out of early employment, and increased family expenditure on child health and education; thereby, shifting family resources away from older generations towards the youngest generation.

Policy implications of poverty and age discrimination

Having uncovered the mismatch between conceptualisations of old age dependence and non-participation in the economy and older people's actual contribution, the research provides evidence for mainstreaming age into all policy, planning and practice. It demonstrates that relegating the older urban poor solely to the remit of social welfare departments fails to recognise their rights, needs and contribution to the economy and places them at the mercy of declining welfare budgets.

Central to the formulation of a policy response that addresses old age poverty are three pre-conditions. First, is accepting that age stereotyping and age discrimination underlie much current economic and social policy, urban planning and labour hiring practices. By defining older people as 'dependants', in need of care and support and as not part of the work force, or as inferior workers, policies, planning and practices do not facilitate old age welfare; instead, they exacerbate frailties and increase old-age poverty. Second, is understanding that focusing



on the rights, needs, contributions and potential of what is thought of as the current and future 'working' generations, while disregarding those of the older generation, not only misrepresents older people's direct and continuing contribution to the economy, but also disempowers them in relation to younger family members and employers. It does so by eroding the legitimacy of older people's claims on family resources and their capacity to hold onto their own resources, as well as by undermining their capacity to secure equal pay for equal work. Third, is appreciating that the poor accumulate disadvantage over a life course that starts with low birth weight, moves on to poor education, few or no assets, unhealthy living conditions and insecure, poorly paid and unsafe informal sector jobs and ends without a pension and facing age discrimination in a competitive labour market. In an increasingly competitive economic environment, policies aimed at children and at the 'working generation' are insufficient to address, or prevent, the specificities of poverty in later life.

Underlying policy weakness towards old age poverty is a narrow conceptualisation of what to investigate in researching old age and old age poverty. Central to better policy making is a coherent research strategy that collects and analyses primary data on old age poverty, older people's contribution to the economy and their capacity to meet their needs and exercise their rights as citizens and workers. Such an approach will help define policy measures and implementation strategies that support, rather than endanger, older people as well as providing evidence on the shortcomings of current policy and implementation. Examples of the latter include: first, in relation to welfare policy, pension provision needs to be revised to ensure all the older poor have access and other welfare measures should provide individual and portable entitlement to older people, giving them the means to determine where and with whom they live, if anyone, and affording them the opportunity to change their residence

⁴ Currently many entitlements, such as the pension and PDS, are based on household incomes, not individual incomes, and the PDS does not take into account the number of people in a household, making older people appear, and feel, as though they represent a cost to the family.

as they wish. Second, in relation to current economic and urban planning, older people's role in the economy needs much greater investigation and street vending should be protected as an occupation with important backward and forward linkages in the wider economy that absorbs informal sector workers as they age. Third, evicting slum dwellers to undeveloped locations 30 kms outside the city, with extremely inadequate work, medical, educational and transport facilities and allocating dwelling spaces on a lottery basis, will severely deepen poverty for all the poor by breaking the social networks and distancing the markets on which everyone relies for survival. Such a policy and implementation strategy not only cuts away older people's livelihoods but also severely constrains the capacity of their families to provide financial or physical support.

Study impact

The impact of a research project that uncovers large-scale misconceptualisations and discrimination regarding a social group needs to be measured in terms of the successful dissemination of findings to the public and user groups that, in the long term, help to generate a body of public opinion backing policy change – as occurred with research that underlay policy frameworks opposing gender, race and disability discrimination in the UK and internationally.

This study's dissemination strategy has been focused at three levels: local, national and international.

Strategies at the local and national levels were focused on the general public in India and on policy makers, educators, campaigners and other key opinion makers who had not yet considered ageing a priority issue in anti-poverty measures. A wide range of dissemination techniques were used including coverage of findings in new and old media in English and Tamil; holding photo exhibitions raising awareness of older people's contribution to the economy, public hearings on older people's access to pensions and PDS, public meetings on old age poverty and discrimination; guest lectures at three universities; presentations in Chennai's urban planning consultation workshops, meetings with key policy makers and elected representatives. A two-day international conference held in Chennai (co-funded by HelpAge India,



HelpAge International and the Indian Institute of Technology, Madras) in March 2010 encouraged a number of national-level social activists and government advisors to consider their anti-poverty work from the perspective of old age poverty. Subsequently, at the Fourth National Convention of the highly influential Right to Food Campaign, which was held over three days in August 2010 and brought together 2,000 activists and representatives of India's people's organisations, a number of unanimous resolutions were passed, including one demanding a universal pension for everyone aged 60 and over.

At the international level, to raise awareness of and provide evidence on old age poverty in developing countries, the Principal Investigator guest edited a special volume on ageing in Oxfam's journal of *Gender and Development* which is widely read among practitioners, policy makers and academics across the world as well as presenting papers at UK and international conferences. Project findings and evidence have also been used by HelpAge International in their publication *Forgotten Workforce: Older people and their right to decent work* (2010) and by the working group of the UN Convention for the Elimination of all Discrimination Against Women which are developing a recommendation on older women.

Reference

Vera-Sanso (2010) Gender, Urban Poverty and Ageing in India: Conceptual and Policy Issues in Sylvia Chant (ed.) *International Handbook on Gender and Poverty: Concepts, Research, Policy* Cheltenham/Northampton: Edward Elgar

Summary

Using the example of old age poverty in the Indian city of Chennai, formerly Madras, the research situates old age poverty and inter-generational relations within a multi-level framework that ranges from global economic forces to household resource allocation, taking in government policy, public discourse and gender and age discrimination. It demonstrates that a high level of economic growth does not necessarily improve the welfare of the urban poor in developing countries; rather, it can increase economic pressures, as have the recent declines in the economic growth rate in India, and these pressures fall hardest on older people. It demonstrates how conceptualisations of 'the worker', 'the aged', 'the family', 'the urban economy', and 'work' in policy and planning can misconceive both what older people do and what they are capable of. Rather than ameliorating old age frailty and enhancing wellbeing in old age, such policy and planning can hasten frailty and, by failing to acknowledge the paid and unpaid work of the older urban poor, fails to support the needs and rights of workers making an important contribution to India's economy. The research presents campaigners and policy makers with evidence on the determinants of old age poverty and makes a case for policies and implementation strategies that enhance older people's economic independence and self-determination. As urbanisation and population ageing become acknowledged as dominant issues for developing countries, this study will provide an important baseline for comparative research and policy development.

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